

MEETING #11 March 19

At a Budget Workshop Session of the e Madison County Board of Supervisors on March 19, 2007 at 2:00 p.m. in the Thrift Road Complex:

PRESENT: Eddie Dean, Chairman
James L. Arrington, Vice-Chairman
William L. Crigler, Member
Bob Miller, Member
Clark Powers, Member
V. R. Shackelford, III, County Attorney.
Lisa R. Kelley, County Administrator
Teresa Miller, Finance Director

Chairman, Eddie Dean called the budget workshop session to order and announced that all Board members were present.

James Arrington stated there was a 22.4% increase in the assessed value of County properties in 2004 when the reassessment process was initiated; he asked if this increase in value was incorporated during 2005, to which Teresa Miller, Finance Director, indicated it was not.

Chairman, Eddie Dean clarified the tax rates for 2004-2005 and 2005-2006 and indicated the reassessment value went into effect during the tax year of 2006 when there was an increase in personal property taxes; however, he stated there was no change during the last fiscal year in real estate or personal property tax rates.

James L. Arrington asked if there was an actual increase in County revenue generated from personal property tax during the past year, to which Chairman, Eddie Dean indicated there was a small increase due to the construction that occurred from new projects and not the actual reassessment.

Chairman, Eddie Dean indicated the line item for real estate taxes for 2005-2006 indicated a projected of \$7,278,395.00 – for 2006-2007, the projected revenue was \$7,338,251.00 with about a \$60,000.00 increase in taxes which initially yielded about \$10,000,000.00 in increased assets; he stated the projection for the upcoming year might be more as it is based on buildings and completions of projects as denoted from utilizing a more accurate database in which the County can make projections for real estate property.

Bob Miller asked if the tax for farm machinery will be eliminated.

Chairman, Eddie Dean stated part of the value for farm machinery will be derived from 2006 values rather than 2007 values; he stated there will be different values to be inserted which have not been implemented at this time; however, a slight increase should be reflected overall.

Bob Miller asked if the Board should look at depreciation schedules.

Clark Powers verbalized concerns as to whether the County has reached the point in which the tax pm farm machinery should be totally eliminated as is the practice in surrounding localities. He also asked if the County's current real estate taxes will deliver a significant gain as a result of the new bill that has been passed.

Chairman, Eddie Dean stated there may be about \$400,000.00 to \$500,000.00 that is normally generated as a result of the farm equipment tax – he stated if this tax is completely eliminated, those funds will have to be generated by other means. In addition, he indicated the depreciation schedule for farm equipment is done every five (5) years instead of every seven (7) years as in the past.

Chairman, Eddie Dean stated the Board really has no way of knowing the actual amount of funding generated from the tax on farm equipment unless all Form 762's are manually pulled by the Commissioner of the Revenue Office on a timely manner; therefore only an estimate can be made at the present time.

William L. Crigler suggested the Board gather some statistics and evaluate the total amount of funding generated from taxing farm equipment very closely.

Clark Powers stated there were errors in the assessment of farm equipment in the past year and some residents were taxed for equipment they no longer owned.

William L. Crigler stated a newsletter was mailed from VACo which indicated a bill was passed in Richmond which denoted any farm equipment and/or machinery that is idle for any length of time can be reported to the County Treasurer's Office as "being exempt" - he stated he was unsure if the general public was aware of this bill and wonders how this issue will effect the bottom line on taxes.

Bob Miller asked if there anyone has reviewed the form and also what precautions were in place to prevent equipment owners from fabricating ownership.

William L. Crigler stated nothing was printed and also added there was

actually no way to prevent this type of dishonest behavior from occurring.

Chairman, Eddie Dean stated the personal property was in fact an “honor system.”

William L. Crigler stated there was nothing published in regards to how the new bill would be enforced or methods to keep owners in check.

James L. Arrington stated this information can usually be retracted from Tax Form 1040.

Chairman, Eddie Dean advised the reason funding in the “Merchant’s Capital” line item is basically due to property being assessed at last year’s value; projections during the past year were generated by utilizing a different system.

Chairman, Eddie Dean indicated the revenue amount denoted for the first seven-twelfths of the budget year and may appear a bit high; he added that Teresa Miller had a form that showed the actual revenue for the aforementioned portion of the year.

Teresa Miller, Finance Director, stated she received a spread sheet from the Treasurer’s Office which indicated revenue which she utilized to determine revenue figures for the year.

William L. Crigler asked for clarification for public services & corporation taxes, to which Chairman, Eddie Dean explained this is for utility companies (i.e. Comcast, Alltel, Cellular One, Allegheny Power, Rappahannock Electric, Verizon, etc.).

Bob Miller further indicated these figures were for installed equipment rather than actual business revenue.

William L. Crigler asked if these public service rates were set by the State, to which Chairman, Eddie Dean replied he did not believe they were.

James L. Arrington stated there was a decrease in \$561,000.00 in local revenue and whether the numbers were expected to improve.

Teresa Miller, Finance Director, indicated she was unsure as to how much the figures for local revenue would improve, although revenue from the State should improve once figures are received regarding what amount(s) will be reimbursed on Constitutional Offices.

James L. Arrington verbalized concerns about the decline in building permit fees and asked what was the basis for that decrease.

Teresa Miller, Finance Director, indicated there have not been as many building permit issued as a result of a decrease in the building market.

James L. Arrington asked what the standard fee was for building permits, to which Teresa Miller, Finance Director, indicated she was unsure. He also asked if the Board should determine whether the fees should be increased.

Chairman, Eddie Dean stated the Board investigated this issue during the past year and added he did not feel the Board should make any changes as of yet; he also indicated the numbers utilized were based on the building trade standards and were basically constant during the fiscal year.

Chairman, Eddie Dean stated the Board previously decided to make adjustments in the building permit fees as an alternative to reduce supplements having to be made to the Building Department; although this resulted in an overall decrease in revenue, it has been reported there has been a large increase for building plans and things may be picking up a bit.

Chairman, Eddie Dean indicated the first draft of the 2007-2008 budget may be a bit conservative, but feels this can be adjusted once the balancing process begins.

Chairman, Eddie Dean stated there should be more of an idea of revenue to be received from the Commonwealth within the next month – he feels the County should see a five percent (5%) increase.

Chairman, Eddie Dean stated although the Governor is proposing a five percent (5%) increase, this is not guaranteed and if it occurs, will not be effective until December 2007 and will actually result in about 2.78%.

William L. Crigler asked about the total indicated under Recreation Youth Programs (\$40,000.00) and what resulted in the elimination of funding.

Teresa Miller, Finance Director, indicated this was only a “wash in/wash out” situation (i.e. start up funds) as it was determined this method would be utilized until July 1st of each year – at that that time a supplement is usually done to clean any funding remaining in the treasury.

James L. Arrington asked if the line item for “payment in lieu of taxes” was park land only, to which Teresa Miller, Finance Director, indicated, “yes.”

Chairman, Eddie Dean stated the revenue has decreased in the area of “fines.”

Teresa Miller, Finance Director, stated the Clerk and Sheriff indicated there has not been as much court activity resulting in fines as the Judge is not adhering to several traffic violations (i.e. speed) as offenders arguing citations due to the current speed zone of 55 mph from one end of the Town of Madison to the other; she indicated there was between \$20,000.00 and \$30,000.00 being generated in fines per month; however, this amount is now ranging between \$12,000.00 to \$15,000.00 only.

Teresa Miller, Finance Director, stated citations are being written by the use of radar and Deputies (full-time) are being paid doing this but revenue is not being generated through the citations being written as a result of utilizing the radar.

Clark Powers stated the amount of State Police in Madison County has been drastically reduced and most officers are now being utilized on the Interstate freeways.

William L. Crigler asked about the line item entitled “Miscellaneous gifts/donations/contributions.” s.”

Teresa Miller, Finance Director, indicated while reviewing the spreadsheet provided by the Treasurer’s Office, she found that some of the information that was posting was not being entered as the correct line item and was listed as expenditure items. She explained that “expenditure items” are actually reimbursements from insurance companies, etc. which actually should have been denoted as “expenditure refunds” – she stated “contributions and donations” are items such as the reimbursement from the Town of Madison of \$50,000.00 for the Main Street Project, etc. – it is hoped that once everything is fully converted to the RDA system, this information can be categorized correctly.

James L. Arrington stated it should be anticipated that \$865,000.00 should be received for Madison Schools than was received during the past year, to which Teresa Miller indicated this was not so and explained this actually showed how much of a budget increase the Madison Schools was asking for.

Teresa Miller, Finance Director, stated the actual increase to be received from the Commonwealth will be about \$57,000.00 and \$52,000.00 from the federal government.

Chairman, Eddie Dean stated the increase being sought by the Madison Schools also includes a four percent (4%) salary increase; he stated there has been an increase is almost \$200,000.00 in that area with an overall increase of \$57,000.00.

Chairman, Eddie Dean stated the Madison Schools will probably be receiving more funding than anticipated according to figures received on March 2, 2007.

Chairman, Eddie Dean received documentation that indicated the County's local share to Madison Schools must be \$5,704,319.00 (minimum).

Bob Miller stated it appears the County actually ends up paying fifty percent (50%) of the Madison School's budget and not the general forty-three percent (43%).

Chairman, Eddie Dean stated Capital Improvement Fund shows an increase of 3.5% with no carryover funding; he stated it is anticipated the total amount of carryover funding (depending on how much is completed with Phase I) will be between \$3,000,000.00 to \$4,000,000.00.

James L. Arrington suggested the Board discuss the policy on carryover funds; he advised this issue was discussed while meeting with James Nelson, School Board member, at which time Mr. Nelson asked the Board to commit to a carryover policy. In closing, he indicated he advised Mr. Nelson of his personal concerns and indicated he didn't feel a carryover policy was logical.

Bob Miller made reference to the manner in which the Madison County School Board has utilized carryover funds. Chairman, Eddie Dean stated he was not a member of the Madison County Board of Supervisors when an agreement was made regarding this issue; he also indicated he was informed the School system agreed there would be no big spending of funding in May and June if they were allowed to utilize carryover funds; he further indicated there are some stipulations regarding this issue which states the total amount to be utilized is ten percent (10%) or \$500,000.00 or whichever is lesser. Additionally, based on the amount of spending that occurred with

funding during the past year, it is questioned as to whether the aforementioned agreement is being adhered to.

Chairman, Eddie Dean stated the Madison School Board has justified in the past their reasons for spending carryover funds has been utilized to pay workman's compensation claims out of the next year's budget and/or insurance claims; however, he stated that wasn't part of the original agreement that was made between the two (2) Boards – it was denoted that carryover funds could only be utilized for capital improvement or "one time expenditures." In addition, Chairman, Eddie Dean indicated the listing that was provided to the Madison County Board of Supervisors from the Madison School Board does not fit into the authorized category.

Bob Miller stated an agreement is very much needed and also suggested the two (2) Boards discuss this issue and find a resolution, as it is the Madison County Board of Supervisors' desire to take care of capital improvements first.

James L. Arrington stated it does not appear the Madison County Board of Supervisors can channel funding to the areas in which the Board deems appropriate; funding that is provided to the Madison County Schools is usually spent based on their own list of priorities.

Lisa Kelley, County Administrator, indicated any carryover funding is actually County funds by law.

Chairman, Eddie Dean stated when the Board sends carryover funding to the Madison County Schools, the amount is never actually seen referenced in their annual budget as to what is being spent.

Teresa Miller stated the auditors of Robinson, Farmer, Cox Associates commented on this issue during the recent audit as there was nothing indicated in the Madison School Board's supplements.

Chairman, Eddie Dean stated there are a number of ideas in the works at the present time; he stated the auditors of Robinson, Farmer, Cox Associates, the Department of Social Services and the Madison School System that an integrated accounting procedure is necessary and the current cash accounting procedures in place will need to be replaced by an accrual basis, per the new set of standards for auditing procedures.

Chairman, Eddie Dean stated the auditors indicated they will be expecting the County to provide books to be audited and not have the auditors compile documents to be audited – he asked if this practice was followed would the current auditing rate be decreased, to which it will not.

Chairman, Eddie Dean stated the aforementioned requirements must be adhered by July 1, 2007 (i.e. integrated accounting process) – he stated the Madison School System will keep their separate set of secured books – the County Treasurer will handle revenue flow.

Chairman, Eddie Dean stated a meeting occurred with the auditors, Bob Miller, Board Member, Lisa Kelley, County Administrator, Teresa Miller, Finance Director, Madison School System, the Department of Social Services, and the auditors of Robinson, Farmer, Cox Associates to discuss the upcoming procedure; it appeared the Department of Social Services was in full support of the concept although the Madison School System was actually not.

Chairman, Eddie Dean also reported there were comments from Madison School Board members regarding the affordability of the proposed accrual accounting procedures, as this concept was not included in the upcoming budgetary figures.

Bob Miller asked about the cost of initiating the proposed accounting procedures, to which Chairman, Eddie Dean stated would probably cost about \$3,000.00 to \$5,000.00 for initial start-up and will save about \$2,000.00 to \$3,000.00 annually.

Teresa Miller, Finance Director, stated that Clark County and the school system are utilizing the financial management package provided through RDA System and Robinson, Farmer, Cox Associates contacted the representatives because the aforementioned accounting procedures are being implemented in their region – therefore, she indicated there is a contact person that she will be talking with later in the week prior to training.

Bob Miller asked if a representative from Robinson, Farmer, Cox Associates has spoken with the Dr. Brenda Tanner, Superintendent and Jeff Early, Chairman of the Madison County School Board.

Lisa Kelley, County Administrator, stated they did not; however, Dr. Tanner heard about the proposal through another channel other than Robinson, Farmer,

Cox Associates; therefore, she was a bit skeptical of this avenue being something the County wanted to impose.

Teresa Miller, Finance Director, indicated when Robinson, Farmer, Cox Associates initiate the audit process, they contact the County (not the Madison County Schools) directly – the other entities are informed by email of the upcoming audit.

Chairman, Eddie Dean stated that Robinson, Farmer, Cox Associates is employed by the County of Madison.

Bob Miller asked if the Madison School System covers the cost of their annual audit to which Teresa Miller, Finance Director, replied “no” – the cost is paid by the County since the procedure is done for the County offices as a “whole.”

Chairman, Eddie Dean advised that Lisa Kelley, County Administrator, is meeting with Dr. Brenda Tanner on a regular basis.

Lisa Kelley, County Administrator, advised there was much discussion during the last meeting about developing a more formalized capital improvement planning process in which the Madison School System will be responsible for providing a prioritized list of items that can be funded by the County and included in the County’s Capital Improvement Plan; discussions have also included how to best to establish such a process on an annual basis and implement an agreement to finalize the plans.

Lisa Kelley, County Administrator, advised that most localities have a plan in which the County and school systems have a combined Capital Improvement Plan but have different agreements as to how the improvements are to be funded. She stated the Madison County Board of Supervisors does not currently have an agreement in which the Madison School System’s planning process is incorporated with the County or an agreement to designate a maintenance plan to accommodate the improvements.

James L. Arrington stated he was informed of the aforementioned meetings and that efforts are being made in an attempt toward developing a Capital Improvement Plan.

Lisa Kelley, County Administrator, stated the Madison School System is working on developing such a plan, although a process must be incorporated in order to bring ideas together from both entities.

Chairman, Eddie Dean stated when looking at the revenue listed in the Madison School System's budget, a surplus is noted although these figures are from three (3) years prior and there are no budgeted amounts to compare against these figures other than an older version of their budget.

Chairman, Eddie Dean stated there have been comments which were not in favor of the Madison County Board of Supervisors overseeing any type of financial management of the Madison School System's budget.

James L. Arrington stated the Madison County Board of Supervisors has been given the responsibility to manage any oversight of County finds and is also faced with the handling the fiscal management of the Madison School System.

Chairman, Eddie Dean stated the Board is probably looking at \$1,000,000.00 to \$1,500,000.00 to balance the 2007-2008 Budget; he stated he felt this could be done with the simple process of utilizing funding in Capital Improvement Projects (decrease from \$3,500,000.00 to \$2,500,000.00); however, he stated there may be other avenues to investigate.

Chairman, Eddie Dean stated when the budget was published in the past, it was not a balanced budget as that does not have to be published; he stated the main concern is the expenditure area and determine if there are items that can be changed. He stated the revenue is relatively conservative.

Teresa Miller, Finance Director, reported the current insurance rates appear favorable and the proposal received from VACo showed a slight increase of \$5,600.00; however, she reported the Workman's Compensation actually showed a decrease of \$7,000.00 which will also affect the numbers. She also advised the Board that health insurance rates will not increase if the County signs on early (includes Madison County Schools & Department of Social Services signing up by April 15, 2007). In addition, the Board will have to decide whether to increase the premiums for single coverage.

Teresa Miller, Finance Director, stated an increase of \$1,500.00 will be needed in the Circuit Court line item because Orange County increased the salary of the Judge's Secretary – this expense is split between both Orange and Madison Counties

respective; there will also need to be \$320.00 added to the Rappahannock-Rapidan Planning District (per capita).

James L. Arrington reported the requested contribution for the Rappahannock Juvenile Detention Center has increased significantly; he explained a debt service was being paid for the past three (3) to four (4) years and the amount was not being offset with charges to the individual Counties; he also advised current funding is being requested to offset the costs associated with the new building.

Teresa Miller, Finance Director, indicated the narrative included with the budget request did not provide full details of the debt service as being the reason for the increase but did note the request was partially due to an increase in health insurance and utility services. .

William L. Crigler stated the total number of detainees also affects the overall rates being charged to the individual Counties.

James L. Arrington stated he did not feel there has been a significant increase in the total days the juvenile's are held in the facility; however, he stated he believes the debt service to the facility is the main reason for the increased budgetary request. In closing, James L. Arrington stated he would investigate this issue and report back to the Board.

Teresa Miller, Finance Director, reminded the Board of the service agreement and the "true up" which will no be effective until July of each year; therefore, the contribution can fluctuate – this factor was also noted in the narrative that was provided.

Chairman, Eddie Dean stated once a decision is made on the expenditures and other categories, the Board will discuss how to manage carryover funds; additionally, there will be some discussion about reviewing budgetary figures for the various departments.

Chairman, Eddie Dean stated the projected salary increases for the upcoming budget year will be 2.5% for cost of living and 2.5% step increase, bringing the total salary increase to five percent (5%).

Clark Powers verbalized concerns as to the vehicles purchased within the Sheriff's Department budget.

Chairman, Eddie Dean stated the purchase of vehicles was not a part of the Sheriff's Department budget until the past year; however, this will continue during the upcoming year and does not reflect much change in vehicle expense.

Chairman, Eddie Dean stated he also asked the Madison School System how much school faculty was compensated from the State of Virginia and how much funding was beyond the state requirements; he stated there are about four (4) deputies in the Sheriff's Department that are totally funded by the County.

Teresa Miller, Finance Director, advised the Madison School System does not include any funding in their budget to compensate the salary being paid to the School Resource Officer. She advised the position was partially funded by a grant for a while and the Madison School System had agreed to pay \$3,000.00 of the salary; however, there has been no compensation provided on the behalf of the Madison School System for the past few years.

Chairman, Eddie Dean stated there have been some accounting changes within the departments and stated this is due to realignment procedures.

Bob Miller asked for clarification as to the breakdown listed in the Building Official Department.

Teresa Miller, Finance Director, explained the breakdown of categories and the breakdown of funding within the department; she stated there is also a module which includes an RDA package.

Chairman, Eddie Dean stated the Summary List will be advertised in the Madison Eagle; he also advised that most questions can be answered by reviewing the Summary List.

James L. Arrington verbalized concerns about funding being provided to the Madison County Electoral Board.

Chairman, Eddie Dean stated a reduction may be needed in the aforementioned category as there is no justification for adding the requested \$5,000.00 for part-time help as designated.

Teresa Miller, Finance Director, indicated there was a request for a voting machine custodian and assisting voting machine custodian – these individuals can be

needed prior to, during and after an election for set up, programming the equipment and training.

Teresa Miller, Finance Director, also advised there was correspondence received from the State of Virginia which denoted that voting machine custodians cannot be considered under Electoral Officials or workers and must be denoted under a separate category.

William L. Crigler asked if both aforementioned positions can be held by one (1) individual, to which Teresa Miller, Finance Director, there are two (2) names indicated.

Teresa Miller, Finance Director, provided an overview of funding requests as submitted by the Registrar & Madison County Electoral Board (i.e. data processing services, travel, training, supplies, etc.) – she stated the funding request was a bit over budget as the Registrar was unsure as to what (if any) reimbursement would be provided by the State. indicated an additional funding request has been presented to cover data processing services needed to cover the any systems services needed for the upcoming new system – also will need equipment reprogrammed, instructions, and should also cover any additional help that may be needed from IT personnel. She advised the only reimbursement that is received from the State is for a portion of the salary that is paid to the Registrar.

Bob Miller advised a supplemental appropriation can be utilized in the event there is a definite need for additional funding in any specific department.

James L. Arrington verbalized concerns as to operations in the Registrar's Office.

After discussion, the following reductions were implemented into the budgetary request as submitted by the Madison County Registrar:

1. Electoral Board - change request to \$4,000.00
2. Line Item #6100 - level funding request to \$12,000.00
3. Line Item #1520 - level funding request
4. Data Processing Services - \$3,000.00
5. Office Equipment - level funding request to remain at \$3,000.00
6. Line Item #8101 - level funding request

Chairman, Eddie Dean asked for a printout that would show what has been spent to date in each budget line item for the departments.

Chairman, Eddie Dean suggested the Board review the various Departments; he also advised that he will be unable to meet on Thursday morning.

William L. Crigler advised that Tommy Tanner will be replacing Billy Hale on the Madison Electoral Board.

Lisa Kelley, County Administrator, advised there is no five percent (5%) increase added into her current salary through the next budget year – the increase is noted in the salary being paid to the Secretary only.

Discussion continued with regard to the previous policy of placing all new employees on probation for six (6) months; further discussion revealed this issue may not have been raised during the hiring process and it was then noted that a readjustment could be made.

Teresa Miller, Finance Director, indicated the budget summary will contain a paragraph denoting departmental changes.

Chairman, Eddie Dean suggested the Board discuss Legal Services (V. R. Shackelford, III, County Attorney) budget.

Teresa Miller, Finance Director, indicated the line item includes a five percent (5%) salary increase.

William L. Crigler asked if the salary increase was declined in past years, to which Teresa Miller, Finance Director, indicated was incorrect.

Bob Miller asked about the line item for management consulting services.

Teresa Miller, Finance Director, indicated this line item was incorporated after a meeting with Robinson, Farmer, Cox Associates during the past year – this item is utilized for salary survey, auditing, etc.

James L. Arrington asked how Robinson, Farmer, Cox Associates was selected to be the auditors for Madison County and whether this service was bid out.

Teresa Miller, Finance Director, stated this service has never been bid out during her employment with Madison County; she advised the \$20,000.00 contract with the firm will be up for re-negotiation next year – she believes the contract time is five (5) years and includes the annual audit, cost allocation audit and financial assurance for the

Transfer Station. She stated the Richmond office tries to bill the County separate for each audit; however, after contact with Mary Earhart of the firm, it was suggested a letter be forwarded to each partner of this issue, which has been resolved.

Chairman, Eddie Dean asked the Board to review the budget request as presented by the Commissioner of the Revenue.

William L. Crigler verbalized concerns regarding the line item category for land use.

Chairman, Eddie Dean advised the Board the individuals who served on the Board of Equalization during the past reassessment process have offered to serve again in the future.

Chairman, Eddie Dean asked the Board to review the budget request as presented by the Treasurer's Office.

Teresa Miller stated the increase in the training line item will benefit the future Treasurer; she also advised that Robinson, Farmer, Cox Associates will assist with the close out audit once the position of Treasurer changes.

Lisa Kelley, County Administrator, advised the Treasurer and Commissioner of the Revenue currently share a postage meter.

Teresa Miller, Finance Director, advised the Treasurer desired to purchase new receipt printers for the office.

James L. Arrington stated there is quite a bit of increase in the line items for travel/lodging/meals which is due to the fact the new Treasurer will have to attend various training sessions to prepare him/her for the position in December after the election.

Chairman, Eddie Dean asked the Board to review the budget request as presented by the Finance Department.

Teresa Miller, Finance Director, indicated the largest expense for her office was the RDA expense report (eight [8] modules).

Teresa Miller, Finance Director, asked if the Board was thinking of bringing in IT personnel, to which Chairman, Eddie Dean indicated would not occur right now.

Chairman, Eddie Dean started the County is preparing to implement a full support agreement with Advance Network Systems for the telephone and internet hook-up at a fee of \$5,000.00 – if there are any telephones that need to be replaced, the replacement fees will be deducted from the aforementioned amount without individual charges. He advised the current system is still under warranty; however, once the warranty cycle has been completed, the new contract will cover any problems that may be encountered, which compares favorably with what the County has been paying for support.

Chairman, Eddie Dean advised representatives from Advanced Network Systems has been working on figures and it appears the County will be saving about \$2,000.00 per month on the telephone bill; additionally, the telephone bill covers the internet hook-up. He added there are benefits to the service in the way of a better telephone service and high-speed hook-up.

James L. Arrington asked if adjustments have been made with the County's telephone system (i.e. caller I.D.).

Chairman, Eddie Dean stated Robert Finks was informed the problem was fixed; however, it appears there are still additional adjustments to be made.

Lisa Kelley, County Administrator, provided the Board of the increase in the salary for the Secretary/Clerk for the Circuit Court Judge that is shared between Orange and Madison County – the amount will be \$16,500.00 of which the County will be responsible for half the amount.

Chairman, Eddie Dean stated there is no salary increase noted for the Madison County Clerk of the Circuit Court as the Board determined it would pay the salary established by the State about two (2) years ago; however, it was determined that her salary would not be cut, therefore, her salary is above what was allowed by the State of Virginia for this position.

James L. Arrington asked if the increase noted for the Clerk's staff included a five percent (5%) increase only, to which Teresa Miller, Finance Director, indicated yes and that a portion of their salaries was also reimbursed by the State (eighty [80%] percent).

Chairman, Eddie Dean stated most of the office equipment and furniture indicated in the Clerk's budget will be needed as the State is requiring that everything be online in that particular office effective July 1, 2007 – which the Clerk has indicated she is prepared to do.

Chairman, Eddie Dean reviewed the budget request as submitted for the Victim-Witness Program.

Teresa Miller, Finance Director, advised this department was operated by grant funding which the County matches with \$2,000.00 and the rest of the funding is provided by the State.

Chairman, Eddie Dean stated the Commonwealth Attorney has submitted a significant pay increase for his Secretary; additionally, a summary sheet has been prepared and presented by Lisa Kelley, County Administrator, with regard to the request that was submitted.

James L. Arrington asked if the budgetary request submitted by the Sheriff's Department included any vehicles, to which Chairman, Eddie Dean stated there was a line item totaling \$94,000.00 for four (4) new vehicles.

Lisa Kelley, County Administrator, indicated that Erik Weaver, Sheriff, indicated he has devised a replacement plan where three (3) new vehicles will be purchased in one year and four (4) new vehicles the next year; she feels the upcoming year will be the year four (4) vehicles will be replaced.

James L. Arrington stated a truck was purchased for one of the Animal Control Officers; however, Chairman, Eddie Dean stated the vehicle was replaced from a different budget.

James L. Arrington asked if there could be a hold initiated on some of the replacement vehicles.

Lisa Kelley, County Administrator, stated the Sheriff indicated he utilizes a mileage factor when determining vehicle replacement.

Bob Miller questioned the line item for office supplies, to which Teresa Miller, Finance Director, indicated was for replacement computers (i.e. laptop).

Chairman, Eddie Dean stated he thought the Sheriff's Department received grant funding to purchase computers, to which Teresa Miller, Finance Director, indicated only two (2) computers were purchased.

Lisa Kelley, County Administrator, indicated there was an increase in the line item for data processing; she stated there was one (1) computer for the VCIN terminal and another related to the equipment for the deputies to utilize in the office; additionally, his laptop will need to be replaced.

Chairman, Eddie Dean stated four (4) vehicles were purchased within the past year.

William L. Crigler asked if it was possible for the Sheriff's Department to utilize vehicles that are seized and also utilize some of the funding that is received from some of these cases; he stated there has been no report provided of confiscated items (i.e. vehicles, houses, etc.).

Lisa Kelley, County Administrator, indicated a portion from the aforementioned fund was utilized to purchase a vehicle for Gary Harvey (\$6,100.00).

Teresa Miller, Finance Director, indicated a portion of funding was taken from "drug money" and traded the vehicle in on the new purchase.

Chairman, Eddie Dean stated the Sheriff's budget has \$72,000.00 which can be utilized for vehicles – he suggested the total number of vehicles be eliminated.

Teresa Miller, Finance Director, indicated she had a request from Carl Pumphrey and Erik Weaver for \$4,400.00 for hazardous materials (i.e. flares) – she stated both departments purchase flares in bulk to be utilized by the Sheriff, Volunteer Rescue Squad, Fire Department and any County vehicle is to have access to the flares, including the Sheriff's Deputies. She stated that no flares had been purchased for about two (2) years – a purchase was recently made and she asked if this bulk amount would need to be purchased every year, to which they were unsure; therefore, she placed \$4,400.00 in the budget for the overall purchase. She also advised the Sheriff felt this amount should be included in the budget on an annual basis.

Bob Miller suggested the amount be included every other year since the purchase occurs every two (2) years.

William L. Crigler suggested only half the amount be included this budget cycle and the other half during the next year.

Chairman, Eddie Dean suggested \$3,200.00 be budgeted for the purchase of flares during the upcoming fiscal year.

Teresa Miller, Finance Director, stated she will make a copy of the budget and inform the Sheriff of the total amount allocated for the purchase of flares and coordinate the purchase with Carl Pumphrey.

Chairman, Eddie Dean stated \$800.00 has been allocated for communications equipment and none has been spent for two (2) years.

Teresa Miller, Finance Director, stated that funding was to be utilized for a digital camera and associated equipment to be used as Haz-mat and other significant incidents scenes – the unit will enable personnel to document by the use of photograph, video, and fax (real time).

Chairman, Eddie Dean suggested this item be included in the category of office equipment as a digital camera is not considered communications equipment.

William L. Crigler asked if a digital camera would be considered communications equipment if it was utilized to transmit photographs from a vehicle.

James L. Arrington asked if grant funding could be utilized for a purchase of this magnitude.

Teresa Miller, Finance Director, read the narrative presented to describe communications equipment.

Lisa Kelley, County Administrator, advised the more basic question is whether the County desires to have the aforementioned function as opposed to whether this type of feature can be accomplished with a cell phone.

After discussion, the Board decided to zero this line item for communication equipment.

Bob Miller asked about the line item for office equipment lease in the EOC.

Lisa Kelley, County Administrator, stated that was for the new recording that has been installed.

James L. Arrington asked if the equipment was being leased for \$11,000.00 annually, to which Chairman, Eddie Dean replied “yes.”

Chairman, Eddie Dean stated if this equipment is purchased outright, the cost is about \$30,000.00; however, if the equipment is purchased under a leasing agreement, once the technology is outdated, updated merchandise is installed at no additional cost.

James L. Arrington asked if additional staff is being requested for the EOC during the upcoming budget year.

Lisa Kelley, County Administrator, indicated the request is for an upgrade of the positions.

Teresa Miller, Finance Director, indicated the upgrade request is for one (1) dispatcher.

Bob Miller verbalized concerns about the information provided for the Madison Volunteer Fire Department.

Chairman, Eddie Dean stated this amount was a “wash in/wash out” entry and explained the general contribution is utilized to help the Department supplement their annual budget.

William L. Crigler stated a new truck will also be needed.

Chairman, Eddie Dean advised the Department usually donates any used vehicles when a new one is purchased.

Chairman, Eddie Dean stated there will need to be some discussion about a contract for the Madison Volunteer Rescue Squad.

William L. Crigler stated the aforementioned issue has been brought up; he indicated he met with Lisa Lewis and Jeff Jenkins – the issue was discussed with the volunteer members and they were invited to review the contract and make additions/deletions as they saw fit – after discussions amongst the volunteer members, a draft will be provided to the Madison County Board of Supervisors for review and approval.

Chairman, Eddie Dean stated the contract that is being utilized at the present time is not valid – he also indicated there will need to be some discussion about fees for services which must be done discretely.

Bob Miller asked if the amount being sought by the EMS Council was per capita, to which Chairman, Eddie Dean stated it was.

William L. Crigler advised the EMS Council has also requested that BLS training be handled by the squad members.

Chairman, Eddie Dean asked if there were any concerns about the budgetary requests presented by the Rapidan Volunteer Fire Department and the Reva Volunteer Fire & Rescue, Inc.

James L. Arrington asked for clarification that the contributions are being made to ensure the aforementioned service supplement emergency services to Madison County (i.e. fire and rescue); he also advised it has been noted there is not much mutual aide being provided for emergency medical situations but mainly for fire issues.

Chairman, Eddie Dean advised the Madison County Board of Supervisors has never asked for any type of documentation from either of the two (2) entities; however, he advised this is something that may be requested.

William L. Crigler stated if the aforementioned request is raised, this might either increase (or decrease) the annual contribution being sought.

Chairman, Eddie Dean advised if it is determined the two (2) aforementioned entities are serving more emergency cases than the staff of Madison County, changes will be necessary; he advised these entities will go to surrounding areas if they have available staff to assist.

After discussion, on motion of William L. Crigler, seconded by Clark Powers, Chairman, Eddie Dean continued the meeting to Thursday, March 22, 2007 at 2:00 p.m. in the conference room of the Thrift Road Complex, with the following vote recorded:

Eddie Dean	Aye
James L. Arrington	Aye
William L. Crigler	Aye
Bob Miller	Aye
Clark Powers	Aye

Eddie Dean, Chairman

Lisa R. Kelley, County Administrator

Date: March 19, 2007

Copies: Eddie Dean, James L. Arrington, William L. Crigler, Bob Miller, Clark Powers,
V. R. Shackelford, III & Constitutional Officers
